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Contact: Ellen McDonald  
816.444.0052  
Or 816.213.4355 (c)  
publicity@kcopera.org

## **Lyric Opera of Kansas City Receives \$10.5 Million in New Market Tax Credit Allocation To Build New Opera Center**

*Innovative Financial Tool Will Help Support Company's Upcoming Seasons at  
Kauffman Center for the Performing Arts*

**Kansas City, MO (June 8, 2011)** — Richard Bruening, chair of the Board of Directors of the Lyric Opera of Kansas City, announced today that the Lyric Opera has received an allocation of \$10.5 million in New Market Tax Credits from Kansas City, Missouri Community Development CDE (KCMO CDE) in support of the Company's new Opera Center at 18<sup>th</sup> & Charlotte Streets in Downtown Kansas City, Missouri. PNC Financial Services Group will purchase the federal tax credits which will yield almost \$3 million in facilitated financing for the \$13.1 million project. The Lyric Opera of Kansas City is the first arts organization in Kansas City, and is believed to be the first in the country, to receive an allocation. The New Markets Tax Credit program is a federal tax credit program created to facilitate financing for qualified investments in low-income communities. The KCMO CDE has been awarded \$75 million in NMTC allocation authority since 2008 which it has used to help finance everything from a LEED Platinum manufacturing facility to a community center.

The New Market Tax Credit allocation comes in support of the Company's capital campaign for the renovation of property in east Crossroads in downtown Kansas City for its new Opera Center complex. In 2007, the Lyric Opera purchased properties at 18<sup>th</sup> and Charlotte Streets in the Kansas City Crossroads Arts District. The Opera Center complex will consist of two buildings: a Production Arts building and an Administrative building with set rental inventory storage. The Production Arts building will include a rehearsal space that will match the footprint of the stage of the Muriel Kauffman Theatre at the Kauffman Center for the Performing Arts. The Production Arts building also will house a full wig, costume and set construction shop and facilities for educational and community outreach programs. Such an integrated and dedicated production facility does not exist in Kansas City; the Company



envisioning the Production Arts building becoming a resource for other local performing arts companies.

“This project represents a great opportunity for the KCMO CDE to not only support a long-standing arts institution with a commitment to community engagement and outreach, but also support an important development along 18<sup>th</sup> Street that will not only help to bring increased economic activity to the surrounding community but also further connect the Crossroads and 18<sup>th</sup> & Vine District,” said Ruben Alonso III, executive director of the KCMO CDE.

“It is now possible for us to complete the Production Arts building in time for the building, painting, rehearsing and fitting of our premiere opera in the Kauffman Center: *Turandot*,” said Lyric Opera of Kansas City General Director Evan Luskin.

This allocation comes on the heels of the recent announcement of a significant challenge grant in support of the campaign. In November 2010, Lyric Opera was informed that the J. E. and L. E. Mabee Foundation, Inc. of Tulsa, Oklahoma had awarded the Company a challenge grant of \$320,000. The matching funds were secured by March 29, 2011 from private individual and corporate donors, and joined by the New Markets Tax Credits, allow renovations to proceed.

“The success of this campaign to date is not only a testament of this community’s support of the Lyric Opera, but of the vitality of the arts in Kansas City,” stated Joyce Holland, chair of the capital campaign and member of the Board of Directors of the Lyric Opera of Kansas City. “This award of New Markets Tax Credits has already spurred significant interest in the Opera Center and the campaign. We are thrilled to have their stamp of approval.”

In the summer of 2011, the production and administrative offices of the Lyric Opera will be moving from its home of 40 years at the Lyric Theatre to a temporary home in downtown Kansas City at 1616 Broadway. The production and administrative offices will move to the headquarters on 18<sup>th</sup> Street when construction is completed in the summer of 2012. Lyric Opera productions will move to the Kauffman Center for the Performing Arts in October 2011.

### **About Lyric Opera of Kansas City**

The Lyric Opera of Kansas City was founded in 1958. It is one of the nation’s premier regional opera companies and brings high quality live operatic performances to the people of the Kansas City area and a five-state region. Repertoire choices encompass original language performances of standard repertory as well as contemporary and American operas. The Company seeks to mount productions that enrich the community it serves, as well as reflect the highest artistic standards of the profession. The Lyric Opera offers innovative and award-winning programs



designed to further music and arts education both in schools and in the community and serves over 18,000 students and educators each year. For more information, please visit [kcopera.org](http://kcopera.org).

#### **About the KCMO CDE**

The KCMO CDE is a Missouri non-profit community development entity committed to creating opportunities in Kansas City's most economically distressed communities. Whether it is providing enabling financing to a for-profit or not-for-profit business or catalytic development project through the New Markets Tax Credit program or helping to deliver services and resources to residents of low income communities through the KCMO CDE's many strategic partners, the KCMO CDE is dedicated to promoting and supporting innovative, targeted and collaborative economic and community development initiatives to help build and grow vibrant, sustainable and prosperous communities throughout Kansas City, Missouri.

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**Tours of the headquarters are available for the media. Photographers welcome.  
Please direct all media inquiries to Ellen McDonald, 816.444.0052.**



**Lyric Opera of Kansas City**  
**Opera Center Capital Campaign**  
**Fact Sheet**  
**June 1, 2011**

- The sale of the Lyric Theatre building to DST Systems, Inc., provided capital to purchase property that included three buildings on a lot at Holmes and Charlotte Streets at 18<sup>th</sup> Street in the downtown Kansas City East Crossroads District. The address of the new permanent home is expected to be 1725 Holmes Street, Kansas City, MO 64108.
- Consultation with Kansas City based HJM Architects and McCownGordon Construction determined that the existing brick buildings on the property were not salvageable or of historic significance and they should be razed. The space will provide a future location for set rental inventory storage and administrative offices. Adjacent to these buildings is an undeveloped lot that will provide off-street parking.
- The modern warehouse building on the property was built in 1974 and has almost 30,000 square feet of unobstructed space which will accommodate the footprint of the Muriel Kauffman Theatre at the Kauffman Center for the Performing Arts, where the Company will begin performing in October 2011.
- The warehouse will take on all pre-production aspects of the Company: a carpentry shop and paint studio for building sets, wig and wardrobe fitting and alteration areas, rehearsal and performance space for the Company's main stage and educational activities, as well as basic storage.
- The capital campaign has been divided into two phases:
  - Phase 1
    - Completed to date: Building acquisition, which cost \$2.45 million and is fully funded. Completion of a new roof, new heating and cooling systems, a rehearsal space with wood floor, a catering kitchen, new restrooms and clean-up of the facility entrance. The renovation cost was \$1.2 million and was raised through two lead gifts totaling \$1.1 million and additional major gifts. This renovation was completed by August 1, 2009, and because of the quick turn-around, construction costs saw a savings of 10%.



- To be completed: a scenic shop, paint shop, wig and makeup area, prop storage, educational outreach facilities, parking lots and outside green spaces for the complex. The cost is \$1,828,908. As of May 2011, \$1.72 million has been raised, leaving a balance of \$105,506. The success of the challenge grant of \$320,000 from the Mabee Foundation helped the Company close the gap and enabled renovations to begin by late May 2011.
- Phase 2
  - Storage/Administrative Center (to be constructed adjacent to the Production/Education building) will cost \$4.6 million.
- The total cost of the project is \$13.1 million. To date, \$6.05 million has been raised.
- The timeline of the capital campaign:
  - November 2010 – The projected timeline for the Challenge Grant would begin
  - April 2011 – all fund raising for Phase 1 completed for construction on the Production/Education building
  - June 1, 2011 – completion of all Phase 1 construction and portions of building operational
  - July 1, 2011 – move into completed Production Arts building and set construction for the first production in the Kauffman Center commences
  - October 1, 2011 – Lyric Opera opening night at the Kauffman Center for the Performing Arts.
  - Ongoing: fundraising to complete the Storage/Administrative Center
- Development partners include:
  - Architects: Richard Hu, HJM Architects
  - General Contractors: McCownGordon
  - Development Partners: Dave Lovetere, MC Realty
  - Financier: KCMO CDE
  - Bank: Bank of Kansas City
  - New Markets Tax Credit Investor: PNC Bank
  - Partner: Lyric Opera Foundation
- Capital Campaign leadership:
  - Joyce Holland, Chair, Capital Campaign Committee
  - Albert P. Mauro, Chair, Building Committee



- Significant gifts and pledges:
  - Dr. and Mrs. Michael Frost
  - Mr. and Mrs. Don F. Dagenais
  - Gary Dickinson Family Charitable Foundation
  - Mr. and Mrs. Richard Durwood
  - Mr. and Mrs. Howard Elsberry
  - Caroline French
  - Joyce G. Holland
  - Mrs. Beth Ingram
  - Lyric Opera Circle
  - The J. E. and L. E. Mabee Foundation
  - Mr. and Mrs. Albert Mauro
- For further information about the campaign, please contact Michelle LaPointe, Director of Development, Lyric Opera of Kansas City at 816-471-4933 ext. 110.